

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF ILLINOIS

UNITED STATES OF AMERICA)	
)	
Plaintiff,)	
)	Criminal No. <u>18-cr-30127-SMY</u>
vs.)	
)	
STEVEN P. GIBSON,)	
)	
Defendant.)	

STIPULATION OF FACTS

The attorney for the United States and the attorney for the Defendant have engaged in discussions and have stipulated to the following facts to support the plea of guilty in accordance with U.S.S.G. §6B1.4.

1. **STEVEN P. GIBSON** is a pharmacist, licensed in the State of Illinois, who operates Gibson's Discount Drugs, a pharmacy, located at 1506 South Main Street, Red Bud, Illinois.
2. In October 2016, **GIBSON** purchased Deterding Drugs Inc., a pharmacy located at 1506 South Main Street, Red Bud, Illinois, and changed the name to Gibson's Discount Drugs.
3. On December 29, 2016, Gibson's Discount Drugs was licensed with the State of Illinois as a pharmacy. Prior to December 29, 2016, Deterding Drugs Inc. was a licensed pharmacy at the same address as Gibson's Discount Drugs. Gibson's Discount Drugs and Deterding Drugs Inc., both had the same National Provider Identifier (NPI), a unique number issued to health care providers by the Centers for Medicare and Medicaid Services (CMS). The NPI was the required identifier that providers used to submit claims to Medicare, Medicaid, and most commercial healthcare insurance companies.

4. **GIBSON** was engaged in a scheme to defraud health care benefit programs by submitting false claims for fraudulent prescription medications to Medicare, Medicaid, and private insurance companies that were not authorized by a physician, nurse practitioner, or a physician's assistant as required. In doing so, **GIBSON** acted outside the usual course of professional conduct and without a legal medical purpose.

5. **GIBSON** submitted false and fraudulent claims in the names of family members and pharmacy customers for prescription medication. Gibson often selected expensive prescription medications that he knew would be paid for by insurance companies (including Medicare and Medicaid). One such medication was Creon, a drug used to treat chronic pancreatitis. Another such medication was Pentasa, a drug used to treat ulcerative colitis. A third medication was Hydroxychloroquine, a drug used to treat or prevent malaria. These prescription medications and others were not authorized by any physician, nurse practitioner, or physician's assistant and were not dispensed to any of the family members or pharmacy customers. These "make believe" prescriptions were created by **GIBSON** for the sole purpose of generating payments.

6. From on or about December 25, 2016, through on or about February 3, 2018, in Randolph County, within the Southern District of Illinois, **GIBSON**, defendant, admits he knowingly and willfully executed a scheme to defraud Medicare, a healthcare benefit program, in connection with the delivery of and payment for healthcare benefits and services by submitting false claims and obtaining \$23,341.59 in reimbursement using materially false and fraudulent representations in violation of Title 18, United States Code, Section 1347.

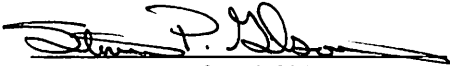
7. From on or about December 25, 2016, through on or about February 3, 2018, in Randolph County, within the Southern District of Illinois, **GIBSON**, defendant, admits he


knowingly and willfully executed a scheme to defraud Medicaid, a healthcare benefit program, in connection with the delivery of and payment for healthcare benefits and services by submitting false claims and obtaining \$136,835.91 in reimbursement using materially false and fraudulent representations in violation of Title 18, United States Code, Section 1347.


8. From on or about December 25, 2016, through on or about February 3, 2018, in Randolph County, within the Southern District of Illinois, **GIBSON**, defendant, admits he knowingly and willfully executed a scheme to defraud private insurance companies for healthcare benefits and services for family members "AM", "RG", "RK", and "SK" by submitting false claims and obtaining \$472,689.03 in reimbursement. **GIBSON**, defendant, agrees to make voluntary restitution payments to the private insurance companies, as well as to Medicare and Medicaid.

SO STIPULATED:

STEVEN D. WEINHOFET
United States Attorney


STEVEN P. GIBSON
Defendant


MICHAEL J. QUINLEY
Assistant United States Attorney


JOHN ROGERS
Attorney for the Defendant

Date: 8/14/18

Date: August 14, 2018